
2008 Tax Updates

Utah State Tax Commission

This tax update will give a basic overview of the changes for the 2008 filing season.

Overview

- Resources
- Individual Income Tax
- Withholding
- Electronic
- Corporate
- Fiduciary
- Interest and Penalties

Tax Commission Resources

Monday-Thursday from 7:00 a.m. to 6:00 p.m.

- Practitioner Hotline
801-297-7790 or
1-800-662-4335 x7790
- Customer Service
801-297-2200 or
1-800-662-4335
- Taxpayer Advocate Service
801-297-7562 or
1-800-662-4335 x7562
- Technical Research Unit
801-297-7705 or
1-800-662-4335 x7705

Online and After Hours

- tax.utah.gov
- taxmaster@utah.gov
- Tax Practitioner Information
tax.utah.gov/taxpros
- Forms & Publications
tax.utah.gov/forms
801-297-6700 or
1-800-662-4335 x6700

Online Resources

The following sites are provided for convenience in finding information.

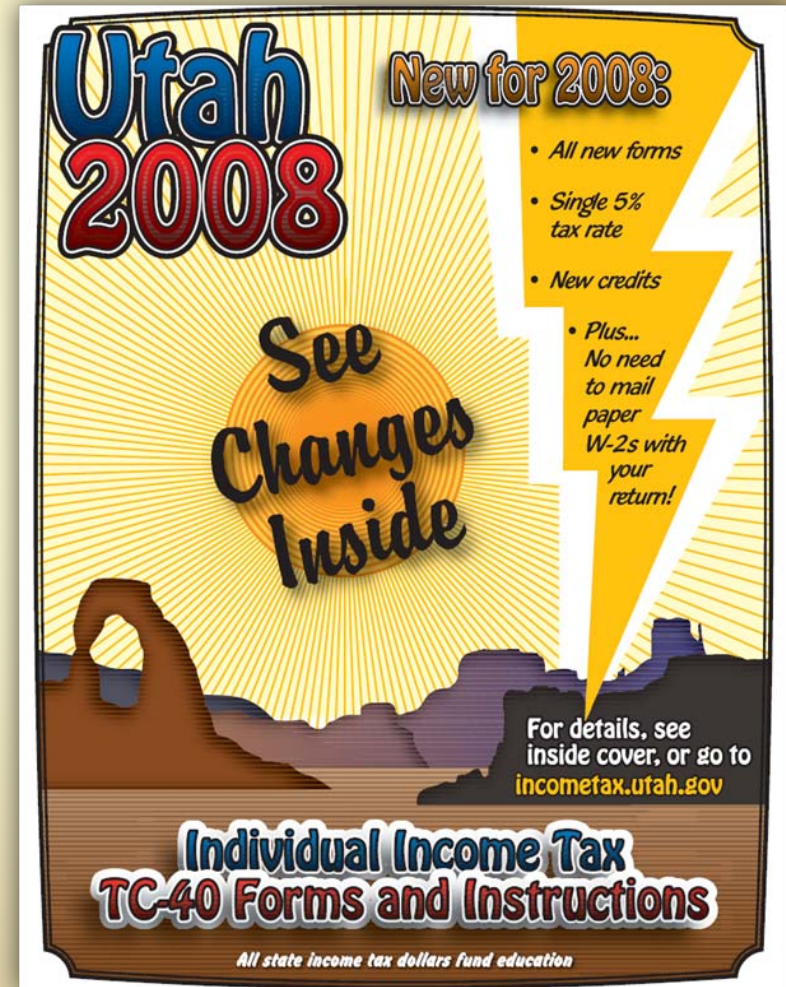
Tax Practitioner Information	tax.utah.gov/taxpros
Forms and Publications	tax.utah.gov/forms
Individual Income Tax	incometax.utah.gov
Corporate Tax	tax.utah.gov/corporate
Sales Tax	tax.utah.gov/sales
Withholding Tax	tax.utah.gov/withholding
Tax Instruction/Training	tax.utah.gov/training
Legislative Updates	tax.utah.gov/research/legislation.html
Draft Forms and Publications	tax.utah.gov/forms/finals/release.html

Individual Income Tax

Income Tax

There were three legislative sessions that changed the 2008 Individual Income Tax return (TC-40):

- SB 4001 (2006 4th Special Session)
- SB 223 (2007 General Session)
- HB 359 (2008 General Session)



Income Tax

The forms have been re-organized this year. This was done to streamline processes.

This Year	Name	Last Year
TC-40A	Supplemental schedule	TC-40S
TC-40B	Non- or part-year resident	TC-40C
TC-40C	Retirement credit	TC-40B
TC-40S	Income tax paid to another state	TC-40A

There is also a new form this year—the TC-40W, *Utah Withholding Tax Schedule*. It will be discussed later in this tutorial.

Let's start by going through the return.

Income Tax

Filing Status ♦ Exemptions ♦ Election Campaign Fund

The first three boxes on the return have changed:

- Box 1—the filing status order now matches the federal form.
- Box 2—the disabled dependent exemption was repealed.
- Box 3—the Libertarian party was added to the election campaign fund.

Filing status order
changed to match federal

Disabled dependent
exemption repealed

Libertarian party added

1. Filing status - enter code (page 4) CODE 1 - Single 2 - Married filing jointly 3 - Married filing separately 4 - Head of household 5 - Qualifying widow(er) If using code 2 or 3, enter spouse's name and social security number above Enter code here <input type="checkbox"/>	2. Exemptions - enter number (page 4) a <input type="checkbox"/> Yourself b <input type="checkbox"/> Spouse c <input type="checkbox"/> Dependents d <input type="checkbox"/> Total exemptions (add a through c) From federal return	3. Election campaign fund - enter code (page 4) CODE C - Constitution D - Democratic L - Libertarian R - Republican N - No contribution Yourself <input type="checkbox"/> Spouse <input type="checkbox"/> Entering a code does not increase your tax or reduce your refund.
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Income Tax

Single Rate Tax

Last year income tax was calculated using both the traditional and single rate methods. The taxpayer paid the lesser of those taxes.

This year the dual tax system is gone and the single rate is 5% of Utah taxable income rather than the 5.35% used last year.

The image shows a sample of the Utah Individual Income Tax Return form (TC-40) for the year 2008. The form is titled "Utah State Tax Commission Utah Individual Income Tax Return All State Income Tax Dollars Fund Education income.utah.gov". It includes fields for the taxpayer's name, address, and Social Security number. The form is divided into several sections: 1. Filing status - enter code (page 4), 2. Exemptions - enter number (page 4), 3. Election campaign fund - enter code (page 4), 4. Federal adjusted gross income from federal return (see instructions on page 5), 5. Additions to income from TC-40A, Part 1 (page 5) (must attach TC-40A), 6. Total income (add lines 4 and 5), 7. Deductions from income from TC-40A, Part 2 (page 5) (must attach TC-40A), 8. Utah taxable income (subtract line 7 from line 6) (if less than zero enter zero) (page 5), 9. Enter "X" if you are a qualified exempt taxpayer (page 10), 10. TAX CALCULATION: Multiply line 8 by .05 (5%), 11. Multiply line 10 by line 21 above, 12. Enter your federal standard or itemized deductions (see page 77), 13. Add line 11 and line 12, 14. State income tax deducted as an itemized deduction on federal form 1040, Schedule A, line 5 (page 5), 15. Subtract line 14 from line 13, 16. Multiply line 15 by .06 (6%), 17. Enter: \$12,000 - if single or married filing separately; \$18,000 - if head of household; \$24,000 - if married filing jointly or qualifying widow(er), 18. Subtract line 17 from line 16 - if less than zero, enter "0", 19. Multiply line 18 by .03 (3%), 20. Taxpayer tax credit (subtract line 19 from line 16) (if less than zero enter "0"), 21. Utah income tax (subtract line 20 from line 18) (if less than zero enter "0"), 22. Apportionable nonrefundable credits from TC-40A, Part 3 (page 10) (must attach TC-40A), 23. Subtract line 22 from line 21 (Note: if line 22 is greater than or equal to line 21, enter "0").

Single Rate Calculation

- Line 4—Enter the federal adjusted gross income.
- Line 5—Enter any additions to income from the TC-40A, Part 1.
- Line 6—Add lines 4 and 5.
- Line 7—Enter the deductions from income from the TC-40A, Part 2.
- Line 8—Subtract line 7 from line 6 and enter the difference on line 8. This is the **Utah taxable income**.
- Line 9—Only used by qualified exempt taxpayers.
- Line 10—Multiply the amount on line 8 by 5 percent to get the **single rate tax**.

Income Tax

New Taxpayer Tax Credit

This year there is also a new Taxpayer Tax Credit to compensate for some of the repealed items. This credit is:

- 6% of the Utah Exemptions plus the federal standard or itemized deductions
 - (minus state tax deducted on Schedule A)

The credit is subject to a phase out of 1.3% on income over:

- \$12,000 Single and Married Filing Separately
- \$18,000 Head of Household
- \$24,000 Married Filing Jointly and Qualifying Widow(er)

Taxpayer Credit Phase-out

Income Tax

Nonrefundable Credits

This year the nonrefundable credits have been split into two types:

- *Apportionable* for non- and part-year residents
 - Full credit is allowed for full-year residents
- *Nonapportionable* allowed regardless of residency status

22. Apportionable nonrefundable credits from TC-40A, Part 3 (page 8) (must attach TC-40A)	.....	● 22	<div></div>	,	<div></div>	,	<div></div>	.	<div></div>	00
23. Subtract line 22 from line 21 (Note: if line 22 is greater than or equal to line 21, enter "0")	.....	23	<div></div>	,	<div></div>	,	<div></div>	.	<div></div>	00
24. Enter tax (full-year resident, enter tax from line 23 - non/part-year resident, enter tax from TC-40B, line 35)	.....	● 24	<div></div>	,	<div></div>	,	<div></div>	.	<div></div>	00
25. Nonapportionable nonrefundable credits from TC-40A, Part 4 (page 10) (must attach TC-40A)	.....	● 25	<div></div>	,	<div></div>	,	<div></div>	.	<div></div>	00

These credits are transferred from the TC-40A onto lines 22 and 25 of the return.

Income Tax

TC-40A—Apportionable Nonrefundable Credits

There are four *apportionable* nonrefundable credits on Part 3 of the TC-40A this year.

Part 3 - Apportionable Nonrefundable Credits (write the code and amount of each nonrefundable credit, see pages 10 - 12)			
Code		Code	Amount
04 Capital gain transactions credit	Check box if you or spouse are age 65 or older • <input type="checkbox"/> Self • <input type="checkbox"/> Spouse	• <input type="text"/>	<input type="text"/> , <input type="text"/> , <input type="text"/> .00
18 Retirement tax credit (attach TC-40C).....		• <input type="text"/>	<input type="text"/> , <input type="text"/> , <input type="text"/> .00
20 Utah Educational Savings Plan (UESP) credit		• <input type="text"/>	<input type="text"/> , <input type="text"/> , <input type="text"/> .00
22 Medical Care Savings Plan (MSA) credit		• <input type="text"/>	<input type="text"/> , <input type="text"/> , <input type="text"/> .00

Three of them are:

- Capital Gain Transactions
—Subject to the same restrictions as last year
- Utah Educational Savings Plan (UESP)
- Medical Savings Account (MSA)

All of these are 5% of gain, investment, or contribution. There is no carryback or carryover of excess credit.

The fourth *apportionable* nonrefundable credit is the retirement credit. The initial credit is:

- \$450 for those age 65 or over
- \$288 or 6% of retirement income for those under 65 (whichever is less)
 - In this case, the taxpayer must have been born before 1953

This credit is phased out as the deduction/exemption was in prior years.

There is no carryback or carryover of excess credit.

Income Tax

TC-40A—Nonapportionable Nonrefundable Credits

Two of the credits in Part 4 of the TC-40A have been modified:

- Research activities in Utah are
 - 5% of qualified expenses or
 - 5% of expenses to qualified organization
- Research Machinery or Equipment is
 - 6% of purchase price if used for research or
 - 6% of price if donated to qualified organization

The biggest change is that the taxpayer may now claim credits in year of qualified expenses.

This means we may see returns this year where the taxpayer is claiming credits for both the 2007 and 2008 tax year.

To recap, these are the items converted to credits for 2008 filing:

- Personal exemptions
- Standard or itemized deductions
- Retirement exclusion/deduction
- Medical Savings Account (MSA)
- Utah Educational Savings Plan (UESP)
- Gains on capital transactions

Income Tax

Repealed

These are the items that were repealed and cannot be claimed:

- Disabled dependent exemption
- Half of the federal tax liability
- Health care insurance premiums
- Long-term care insurance premiums
- Adoption expenses

Withholding Separation

32. UTAH TAX WITHHELD (must attach TC-40W, Part 1) (page 14)		UTAH TAX WITHHELD		●	32	<div><div></div><div></div></div> , <div><div></div><div></div><div></div></div> , <div><div></div><div></div><div></div></div> .	<div><div></div><div></div></div> .00
33. Credit for Utah income taxes prepaid (page 14)				●	33	<div><div></div><div></div></div> , <div><div></div><div></div><div></div></div> , <div><div></div><div></div><div></div></div> .	<div><div></div><div></div></div> .00
34. Nonresident shareholder's withholding (page 14) (must attach TC-40W, Part 3)				●	34	<div><div></div><div></div></div> , <div><div></div><div></div><div></div></div> , <div><div></div><div></div><div></div></div> .	<div><div></div><div></div></div> .00
35. Mineral production withholding (page 15) (must attach TC-40W, Part 2)				●	35	<div><div></div><div></div></div> , <div><div></div><div></div><div></div></div> , <div><div></div><div></div><div></div></div> .	<div><div></div><div></div></div> .00

This was done to help taxpayers report withholding correctly.

Income Tax

TC-40W

Taxpayers must now copy the information from their withholding documents onto the TC-40W. They no longer need to attach their withholding documents to their return. This will help speed up processing.

Using this form will allow us to capture the data electronically. Eventually we will be able to compare this data to employer withholding information.

40089 Part 1 - Utah Withholding Tax Schedule		TC-40W Rev. 12/08
Your last name		Your social security number
Do not send your W-2s or 1099s with your return. Instead, enter the W-2 or 1099 information requested below, if there is Utah withholding on the form. If you have more than four W-2s or 1099s, use additional forms TC-40W, Part 1.		
• A Employer or payer W-2 or 1099 information	• B Employee or taxpayer information from W-2 or 1099	• C Utah withholding tax from W-2 box '17' or 1099
Utah withholding ID number from W-2 box '15' or 1099 <input type="checkbox"/> *X* if 1099 Enter employer or payer ID from W-2 box 'b' or 1099 Enter employer or payer name from W-2 box 'c' or 1099 Address City State Zip	Employee's SSN from box a <input type="checkbox"/> *X* if SSN is for spouse Utah wages from box 16 UT withhold from W-2 box '17'/1099	
Utah withholding ID number from W-2 box '15' or 1099 <input type="checkbox"/> *X* if 1099 Enter employer or payer ID from W-2 box 'b' or 1099 Enter employer or payer name from W-2 box 'c' or 1099 Address City State Zip	Employee's SSN from box a <input type="checkbox"/> Check if SSN is for spouse Utah wages from box 16 UT withhold from W-2 box '17'/1099	
Utah withholding ID number from W-2 box '15' or 1099 <input type="checkbox"/> *X* if 1099 Enter employer or payer ID from W-2 box 'b' or 1099 Enter employer or payer name from W-2 box 'c' or 1099 Address City State Zip	Employee's SSN from box a <input type="checkbox"/> Check if SSN is for spouse Utah wages from box 16 UT withhold from W-2 box '17'/1099	
Utah withholding ID number from W-2 box '15' or 1099 <input type="checkbox"/> *X* if 1099 Enter employer or payer ID from W-2 box 'b' or 1099 Enter employer or payer name from W-2 box 'c' or 1099 Address City State Zip	Employee's SSN from box a <input type="checkbox"/> Check if SSN is for spouse Utah wages from box 16 UT withhold from W-2 box '17'/1099	
Enter total income tax withholding from column C. Enter this total on form TC-40, page 2, line 32.		
Use additional forms TC-40W, Part 1 for additional W-2s and/or 1099s. Attach completed schedule to your 2008 Utah income tax return.		

Examples

Let's go through a scenario to get a better feel of the single rate and taxpayer tax credit calculations.

Meet Gale Thompson

Gale is a 70-year-old retired school teacher.

She is ready to file her 2008 Individual Income taxes.



Gale's Tax Information

Gale has all her tax information ready to complete her return.



Name	Gale Thompson
Address	3421 Common Street Anytown, UT 84555
Social Security Number	111-12-3456
Phone	801-555-1234
Birth Date	08-22-1938*
Filing Status	Single
Federal Adjusted Gross Income	\$35,000
Standard Deduction	\$6,800*

*Because Gale is over 65, she:

- Claims a federal standard deduction of \$6,800 (\$5,450 + \$1,350) on her 2008 federal tax return.
- Fills out form TC-40C her to calculate her retirement credit.

Income Tax Return—Lines 1-3

After entering her personal information on the top of the form, Gale starts with box 1. She notices the filing status order now matches the federal forms. She enters code 1 for her single filing status.

1. Filing status - enter code (page 4) CODE 1 - Single 2 - Married filing jointly 3 - Married filing separately 4 - Head of household 5 - Qualifying widow(er) Enter code here <input type="text" value="1"/> If using code 2 or 3, enter spouse's name and social security number above	2. Exemptions - enter number (page 4) a <input type="text" value="1"/> Yourself b <input type="text"/> Spouse c <input type="text"/> <input type="text"/> Dependents d <input type="text"/> <input type="text" value="1"/> Total exemptions (add a through c) From federal return	3. Election campaign fund - enter code (page 4) CODE C - Constitution D - Democratic L - Libertarian R - Republican N - No contribution Yourself <input type="text" value="N"/> Spouse <input type="text"/> Entering a code does not increase your tax or reduce your refund.
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She enters an exemption for herself in box 2a and decides not to contribute to the Election campaign fund.

Single Rate Tax Calculation

4. Federal adjusted gross income from federal return (see instructions on page 5)	● 4			3	5	0	0	0	.00
5. Additions to income from TC-40A, Part 1 (page 5) (must attach TC-40A)	● 5							0	.00
6. Total income (add lines 4 and 5)	6			3	5	0	0	0	.00
7. Deductions from income from TC-40A, Part 2 (page 5) (must attach TC-40A)	● 7							0	.00
8. Utah taxable income (subtract line 7 from line 6) If less than zero enter zero (page 5)	● 8			3	5	0	0	0	.00
9. Enter "X" if you are a qualified exempt taxpayer (page 10)	● 9								
10. TAX CALCULATION: Multiply line 8 by .05 (5%)	● 10			1	7	5	0	.00	

Gale starts by entering her federal adjusted gross income of \$35,000 on line 4.

- She has no additions to income, so she carries the \$35,000 to line 6 (total income).
- Gale also has no deductions from income, so she carries the \$35,000 to line 8. This is her **Utah taxable income**.
- She skips line 9 since she determined she is not a qualified exempt taxpayer by reviewing page 7 of the TC-40 instructions.
- She multiplies the \$35,000 on line 8 by 5 percent and enters her single rate tax of \$1,750 on line 10.

Now that she has completed the single rate portion of the return, Gale will calculate her taxpayer tax credit.

New Taxpayer Tax Credit

The taxpayer tax credit is 6 percent of the Utah personal exemption and federal standard or itemized deduction added together. However, the credit phases out at certain income levels depending on filing status.

Gale sees lines 11-16 calculate the initial taxpayer tax credit and lines 17-19 calculate the phase out.

11.	Multiply \$2,625 by line 2d above		● 11	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>.</td><td>00</td></tr></table>									.	00
								.	00					
12.	Enter your federal standard or itemized deductions (see page ??)		● 12	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>.</td><td>00</td></tr></table>									.	00
								.	00					
13.	Add line 11 and line 12		13	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>.</td><td>00</td></tr></table>									.	00
								.	00					
14.	State income tax deducted as an itemized deduction on federal form 1040, Schedule A, line 5 (page 5)		● 14	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>.</td><td>00</td></tr></table>									.	00
								.	00					
15.	Subtract line 14 from line 13		15	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>.</td><td>00</td></tr></table>									.	00
								.	00					
16.	Multiply line 15 by .06 (6%)		● 16	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>.</td><td>00</td></tr></table>									.	00
								.	00					
17.	Enter: \$12,000 - if single or married filing separately \$18,000 - if head of household \$24,000 - if married filing jointly or qualifying widow(er) }		● 17	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>.</td><td>00</td></tr></table>									.	00
								.	00					
18.	Subtract line 17 from line 8- If less than zero, enter "0" (if line 18 is zero, enter "0" on line 19, then go to line 20)		18	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>.</td><td>00</td></tr></table>									.	00
								.	00					
19.	Multiply line 18 by .013 (1.3%)		● 19	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>.</td><td>00</td></tr></table>									.	00
								.	00					
20.	Taxpayer tax credit (subtract line 19 from line 16) If less than zero enter "0"		● 20	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>.</td><td>00</td></tr></table>									.	00
								.	00					

Taxpayer Tax Credit Calculation

● 2. Exemptions - enter number (page 4)

a	<input type="text" value="1"/>	Yourself	} From federal return
b	<input type="text"/>	Spouse	
c	<input type="text"/>	Dependents	
d	<input type="text" value="1"/>	Total exemptions (add a through c)	

11. Multiply \$2,625 by line 2d above	● 11	<input type="text"/>	<input type="text"/>	<input type="text" value="2"/>	<input type="text" value="6"/>	<input type="text" value="2"/>	<input type="text" value="5"/>	<input type="text" value="00"/>
12. Enter your federal standard or itemized deductions (see page ??)	● 12	<input type="text"/>	<input type="text"/>	<input type="text" value="6"/>	<input type="text" value="8"/>	<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="00"/>
13. Add line 11 and line 12	13	<input type="text"/>	<input type="text"/>	<input type="text" value="9"/>	<input type="text" value="4"/>	<input type="text" value="2"/>	<input type="text" value="5"/>	<input type="text" value="00"/>
14. State income tax deducted as an itemized deduction on federal form 1040, Schedule A, line 5 (page 5)	● 14	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="0"/>	<input type="text" value="00"/>
15. Subtract line 14 from line 13	15	<input type="text"/>	<input type="text"/>	<input type="text" value="9"/>	<input type="text" value="4"/>	<input type="text" value="2"/>	<input type="text" value="5"/>	<input type="text" value="00"/>
16. Multiply line 15 by .06 (6%)	● 16	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="5"/>	<input type="text" value="6"/>	<input type="text" value="6"/>	<input type="text" value="00"/>

To calculate the initial taxpayer tax credit, Gale:

- Multiplies her total exemptions from line 2d by \$2,625 (the Utah personal exemption amount). She enters \$2,625 on line 11 since she is only claiming herself.
- Enters her standard deduction amount of \$6,800 from line 12 of her federal return.
- Adds the amounts on lines 11 and 12 and enters \$9,425 on line 13.
- Did not itemize so she does not enter the state income tax deduction on line 14.
- Carries the \$9,425 down from line 13 to line 15.
- Multiplies line 15 by 6 percent ($\$9,425 \times .06 = \566).
- Enters that amount of \$566 on line 16. This is her initial **taxpayer tax credit before the phase out**.

Taxpayer Tax Credit Phase out

16. Multiply line 15 by .06 (6%)	• 16	<input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , 5 6 6 . 00
17. Enter: \$12,000 - if single or married filing separately \$18,000 - if head of household \$24,000 - if married filing jointly or qualifying widow(er)	• 17	<input type="text"/> <input type="text"/> , 1 2 , 0 0 0 . 00
18. Subtract line 17 from line 8- If less than zero, enter "0" (if line 18 is zero, enter "0" on line 19, then go to line 20)	• 18	<input type="text"/> <input type="text"/> , 2 3 , 0 0 0 . 00
19. Multiply line 18 by .013 (1.3%)	• 19	<input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> , 2 9 9 . 00
20. Taxpayer tax credit (subtract line 19 from line 16) If less than zero enter "0"	• 20	<input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> , 2 6 7 . 00

Line 8: , 3 5 , 0 0 0 . 00

Now that Gale knows her initial taxpayer tax credit amount, she can calculate the phase out using lines 17-19.

- Since Gale is single, she enters \$12,000 on line 17 and then subtracts that \$12,000 from her \$35,000 Utah taxable income on line 8. She enters \$23,000 on line 18.
- She multiplies the \$23,000 by 1.3 percent and enters \$299 on line 19. This is her phase-out amount.
- After she subtracts \$299 from the \$566 on line 16, she sees her actual taxpayer tax credit is \$267. She enters this amount on line 20.

Utah Income Tax Amount

10. TAX CALCULATION: Multiply line 8 by .05 (5%)		•10			,				1	,7	5	0	.00
11. Multiply \$2,625 by line 2d above	•11			,			2	,	6	2	5	.	00
12. Enter your federal standard or itemized deductions (see page ??)	•12			,			6	,	8	0	0	.	00
13. Add line 11 and line 12	13			,			9	,	4	2	5	.	00
14. State income tax deducted as an itemized deduction on federal form 1040, Schedule A, line 5 (page 5)	•14			,				,			0	.	00
15. Subtract line 14 from line 13	15			,			9	,	4	2	5	.	00
16. Multiply line 15 by .06 (6%)	•16			,				,	5	6	6	.	00
17. Enter: \$12,000 - if single or married filing separately \$18,000 - if head of household \$24,000 - if married filing jointly or qualifying widow(er) }	•17			,		1	2	,	0	0	0	.	00
18. Subtract line 17 from line 8- If less than zero, enter "0" (if line 18 is zero, enter "0" on line 19, then go to line 20)	18			,		2	3	,	0	0	0	.	00
19. Multiply line 18 by .013 (1.3%)	•19			,				,	2	9	9	.	00
20. Taxpayer tax credit (subtract line 19 from line 16) If less than zero enter "0"	•20			,				,	2	6	7	.	00
21. Utah Income Tax (subtract line 20 from line 10) If less than zero, enter "0"	•21			,			1	,	4	8	3	.	00

Gale subtracts her taxpayer tax credit of \$267 (shown on line 20) from her single rate tax of \$1,750 (shown on line 10) and enters \$1,483 on line 21.

This is her **Utah Income Tax** amount.

Retirement Credit Schedule (TC-40C)

40087 Retirement Credit Schedule		TC-40C Rev. 12/08	
Your last name		Your social security number	
Part 1 - Taxpayer Information			
1. Date of birth (if born after 1952, you do not qualify for credit)		You	Spouse
		mm / dd / yyyy	mm / dd / yyyy
Part 2 - Age 65 or Older - Credit			
2. Check box if you were age 65 or older and born before January 1, 1953		You	Spouse
		<input type="checkbox"/>	<input type="checkbox"/>
3. Enter total number of boxes checked on line 2		3 <input style="width: 50px;" type="text"/>	
4. Multiply the number on line 3 by \$450		4 <input style="width: 50px;" type="text"/> 00	
Part 3 - Under Age 65 - Retirement Income Credit			
5. Check box if you were under age 65 and born before January 1, 1953		You	Spouse
		<input type="checkbox"/>	<input type="checkbox"/>
6. If you checked a box on line 5, enter \$288 in the same column, otherwise enter "0"		6 <input style="width: 50px;" type="text"/> 00	<input style="width: 50px;" type="text"/> 00
7. Enter total qualified retirement income for column checked on line 5 (see inst.)		7 <input style="width: 50px;" type="text"/> 00	<input style="width: 50px;" type="text"/> 00
8. Multiply the amount on line 7 for each column by .06 (6%)		8 <input style="width: 50px;" type="text"/> 00	<input style="width: 50px;" type="text"/> 00
9. Enter the lesser of line 6 or line 8 for each column		9 <input style="width: 50px;" type="text"/> 00	<input style="width: 50px;" type="text"/> 00
10. Enter total of both columns of line 9		10 <input style="width: 50px;" type="text"/> 00	
Part 4 - Calculation of Credit			
11. Add line 4 and line 10		11 <input style="width: 50px;" type="text"/> 00	
12. Enter total income from your TC-40, line 6		12 <input style="width: 50px;" type="text"/> 00	
13. Enter nontaxable interest received (federal form 1040 or 1040A, line 8b) (see inst.)		13 <input style="width: 50px;" type="text"/> 00	
14. Modified adjusted gross income (add line 12 and line 13)		14 <input style="width: 50px;" type="text"/> 00	
15. Enter: <div style="display: flex; align-items: center;"> <div style="margin-right: 10px;"> \$16,000, if married filing separately \$25,000, if single \$32,000, if married filing jointly or qualifying widow(er) \$32,000, if head of household </div> <div style="font-size: 3em; margin-right: 10px;">}</div> <div> 15 <input style="width: 50px;" type="text"/> 00 </div> </div>			
16. Subtract line 15 from line 14 - if less than zero, enter "0"		16 <input style="width: 50px;" type="text"/> 00	
If line 16 is zero, enter "0" on line 17, then go to line 18			
17. Multiply line 16 by .025 (2.5%)		17 <input style="width: 50px;" type="text"/> 00	
18. Retirement Credit -subtract line 17 from line 11 - if less than zero, enter "0"		18 <input style="width: 50px;" type="text"/> 00	
Enter this amount on your TC-40A, Part 3, using code 18			

Attach completed schedule to your 2008 Utah income tax return.

Gale has retirement income so she will fill out form TC-40C, *Retirement Credit Schedule*, to figure her credit amount.

Retirement Credit Schedule (TC-40C)

Part 1 - Taxpayer Information		You	Spouse
1. Date of birth (if born after 1952, you do not qualify for credit)	1	08 / 22 / 1938 <small>mm dd yyyy</small>	mm / dd / yyyy
Part 2 - Age 65 or Older - Credit		You	Spouse
2. Check box if you were age 65 or older and born before January 1, 1953	2	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Enter total number of boxes checked on line 2	3	1	
4. Multiply the number on line 3 by \$450	4	450 00	
Part 3 - Under Age 65 - Retirement Income Credit		You	Spouse
5. Check box if you were under age 65 and born before January 1, 1953	5	<input type="checkbox"/>	<input type="checkbox"/>
6. If you checked a box on line 5, enter \$288 in the same column, otherwise enter "0"	6	00	00
7. Enter total qualified retirement income for column checked on line 5 (see inst.)	7	00	00
8. Multiply the amount on line 7 for each column by .06 (6%)	8	00	00
9. Enter the lesser of line 6 or line 8 for each column	9	00	00
10. Enter total of both columns of line 9	10	00	

She starts by entering her birth date on line 1 (August 22, 1938). Because she is over 65, she fills out part 2 by:

- Checking the box for herself on line 2
- Entering the number of boxes she checked on line 3 (1)
- Multiplying the number of boxes checked by \$450.
- She enters \$450 on line 4.

Since part 3 is only for taxpayers under age 65, she skips to Part 4 to calculate the retirement credit.

Retirement Credit Calculation—Lines 11-14

Part 4 - Calculation of Credit

11. Add line 4 and line 10	11	450	00
12. Enter total income from your TC-40, line 6	12	35000	00
13. Enter nontaxable interest received (federal form 1040 or 1040A, line 8b) (see inst.)	13	0	00
14. Modified adjusted gross income (add line 12 and line 13)	14	35000	00

She enters:

- The \$450 from line 4 on line 11
- Her total income of \$35,000 from line 6 of her TC-40 return on line 12

Because she has no nontaxable interest on her federal form, she enters 0 on line 13 and brings down the \$35,000 to line 14. This is her **modified adjusted gross income**.

Retirement Credit Calculation—Lines 15-18

Part 4 - Calculation of Credit		
11. Add line 4 and line 10	11	450 00
12. Enter total income from your TC-40, line 6	12	35 000 00
13. Enter nontaxable interest received (federal form 1040 or 1040A, line 8b) (see inst.)	13	0 00
14. Modified adjusted gross income (add line 12 and line 13)	14	35 000 00
15. Enter: \$16,000, if married filing separately \$25,000, if single \$32,000, if married filing jointly or qualifying widow(er) \$32,000, if head of household	15	25 000 00
16. Subtract line 15 from line 14 - If less than zero, enter "0" If line 16 is zero, enter "0" on line 17, then go to line 18	16	10 000 00
17. Multiply line 16 by .025 (2.5%)	17	250 00
18. Retirement Credit -subtract line 17 from line 11 - If less than zero, enter "0" Enter this amount on your TC-40A, Part 3, using code 18	18	200 00

The retirement credit phases out at certain income levels depending on filing status. Since Gale is single, she enters \$25,000 on line 15. She:

- Subtracts line 15 from her modified adjusted gross income on line 14 and enters \$10,000 on line 16.
- Multiplies the \$10,000 on line 16 by 2.5 percent and enters \$250 on line 17.
- Subtracts \$250 on line 17 from the \$450 on line 11 and enters \$200 on line 18. This is the amount of her **retirement credit**.

Utah Income Tax Liability

21. Utah Income Tax (subtract line 20 from line 10) If less than zero, enter "0" _____ • 21	<input type="text"/>	<input type="text"/>	<input type="text"/>	1	4	8	3	.	00
22. Apportionable nonrefundable credits from TC-40A, Part 3 (page 10) (must attach TC-40A) _____ • 22	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	2	0	0	.	00
23. Subtract line 22 from line 21 (Note: if line 22 is greater than or equal to line 21, enter "0") _____ 23	<input type="text"/>	<input type="text"/>	<input type="text"/>	1	2	8	3	.	00

Gale totals Part 3 of her TC-40A and carries the total (\$200 retirement credit) to line 22 of her return.

She subtracts that amount on line 22 from her Utah Income Tax on line 21 to get her **Utah tax liability** amount of \$1,283 on line 23.

Withholding

Now let's go over the withholding changes.

*New Forms**

- TC-941
- TC- 941PC
- TC- 941R
- TC- 941RPC

Packets containing these new forms were sent to employers in December 2008. They were given the exact number of forms to file for 2009.

They can only use a TC-96 coupon if they are filing for a 2008 period.

<p>94181</p> <p>9997</p> <p>Name and address</p>	<p>Utah State Tax Commission</p> <p>Utah Withholding Return</p>	<p>TC-941</p> <p>Rev. 12/08</p>
--	--	--

☐ Check here to stop receiving paper forms

☐ Check here to close your account

Utah Account ID

Federal EIN

Tax Period

☒ From (mm/dd/yyyy)
 ☒ To (mm/dd/yyyy)

Due Date (mm/dd/yyyy)

☐ Check if AMENDED
 (replacement, not net difference)

1. Utah wages, compensation, and distributions for this period 1

2. Federal tax withheld this period 2

3. Utah tax withheld this period 3

For payment instructions, go to tax.utah.gov or use the attached coupon.

Under penalties provided by law, I declare, to the best of my knowledge, this return is true and correct.

Signature	Date	Phone no.
X		

WITHHOLDING EXPRESS

File and pay electronically

USTC use only

USTC use only

TC-941PC Rev. 12/08

Return ENTIRE form, coupon and payment to the Utah State Tax Commission

Payment Coupon for Utah Withholding Tax, TC-941PC

Tax Type	Utah Account ID	Payment Period Ending (mm/dd/yyyy)	Payment Due Date (mm/dd/yyyy)

Account name: _____

Amount Paid

Do not use this payment coupon as a return. Use TC-941 to file your return.

UTAH STATE TAX COMMISSION

210 N 1950 W

SLC UT 84134-0100

Withholding

Filing Status Changes

With the new system, there will be some filing status changes:

- Monthly filers will
 - Continue to pay monthly.
 - File **quarterly** returns.
- Annual filers will change to quarterly
 - Only those reporting household employees will stay annual filers.
- Electronic Funds Transfer ACH credit filers
 - Taxpayers can still use this method to pay. However, their payment no longer counts as return.
 - They must file TC-941s separately.

Withholding

Reconciliations now contain a payment coupon (TC-941RPC) in case the taxpayer needs to make a supplemental payment at the end of the year.


Reconciliations (TC-941R)

94182		Utah State Tax Commission Utah Annual Withholding Reconciliation		TC-941R Rev. 12/08
9997		<input type="checkbox"/> Check here to close your account		Utah Account ID
Name and address				Federal EIN
				Tax Period
				Due Date (mm/dd/yyyy)
		<input type="checkbox"/> Check if AMENDED (replacement, not net difference)		
1. Total number of W-2s and 1099s, or TC-675Rs issued ----- ● 1				
2. Total Utah wages, compensation, and distributions reported on W-2s and 1099s, or TC-675Rs ----- ● 2				
3. Total federal income tax withheld on W-2s and 1099s ----- ● 3				
4. Total Utah income tax withheld on W-2s and 1099s, or TC-675Rs ----- ● 4				
5. Utah tax withheld as reported on TC-941 return(s)				
Jan - Mar ● 5a		Jul - Sep ● 5c		
Apr - Jun ● 5b		Oct - Dec ● 5d		← annual filers use 5d only
6. Add lines 5a through 5d and enter the total here ----- 6				
7. Subtract line 6 from line 4 and enter amount here (see instructions) ----- 7				
How did you file your W-2s <input type="radio"/> Paper <input type="radio"/> Electronically How did you file your 1099s <input type="radio"/> Paper <input type="radio"/> Electronically				
How did you file your TC-675Rs <input type="radio"/> Paper <input type="radio"/> Electronically If you check paper on any, include them with this reconciliation				
Under penalties provided by law, I declare, to the best of my knowledge, this return is true and correct.				
Signature		Date		Phone no.
X				
TC-941R Rev. 12/08				
		● Box		USTC use only
Return ENTIRE form, coupon and payment to the Utah State Tax Commission				
Payment Coupon for Utah Withholding Reconciliation, TC-941RPC				
TC-941RPC Rev. 12/08		Tax Type		Utah Account ID
		Payment Period Ending (mm/dd/yyyy)		Payment Due Date (mm/dd/yyyy)
Account name:				Amount Paid
UTAH STATE TAX COMMISSION 210 N 1950 W SLC UT 84134-0100				

withholding.utah.gov

This new withholding website will allow taxpayers to:

- File withholding returns
- Upload withholding documents
- Make withholding payments using ACH debit requests (no processing fee)



The screenshot shows a banner for the "WITHHOLDING EXPRESS" system. The header includes the Utah State Tax Commission logo and the text "Online Withholding Filing & Payment System". Below the header, a blue banner reads "Withholding Express – Coming Soon!". The main content area states that the system will be available in early 2009 for:

- Filing withholding tax returns
- Making withholding tax payments
- Filing W-2s and other withholding forms
- Filing withholding tax reconciliations

It also mentions that in the meantime, the following information may be helpful:

- [New withholding forms – draft copies](#)

At the bottom, it asks "Looking for the W-2 Online File Transfer?" and provides a [Click here](#) link.

See *Publication 32, Annual Reporting of Forms W-2, W2c, 1099-R & TC-675R*

paymentexpress.utah.gov

Just a reminder that taxpayers can use PaymentExpress to pay their tax liability. However, there are a few restrictions:

- Payment amounts
 - \$1 to \$999,999
- e-Check (checking or savings)
 - \$1 per direct debit
- Credit card
 - American Express
 - Discover
 - MasterCard

The screenshot shows the Utah PaymentExpress website. At the top, it says "UTAH PAYMENT EXPRESS A SERVICE OF UTAH.GOV". On the left, there is a sidebar with links: "Frequently Asked Questions", "Feedback", "Troubleshooting", "Penalty and Interest Calculator", "Tax Commission Home", and "Exit Payment Express". The main content area has a "Welcome to PaymentExpress" message, followed by a list of 4 easy steps to pay taxes online. Below this is a dropdown menu for "Withholding" and a "Submit" button. A yellow box contains a disclaimer: "PaymentExpress is only for the payment of taxes and other amounts due. Be sure to file any tax return separately (for example, withholding tax) if one is required. EFT filers please see [FAQ's](#). You will not be able to make 2009 withholding and royalty withholding tax payments using PaymentExpress until February 18, 2009." At the bottom, there are links for "Utah.gov Home", "Utah.gov Terms of Use", "Utah.gov Privacy Policy", and "Utah.gov Accessibility Policy", along with a copyright notice for 2007.

Credit Card Fees	
Tax Amount	Fee
\$1-\$50	\$1
\$51-\$100	\$2
\$101-\$150	\$4
\$151-\$200	\$6
\$201-\$250	\$7
etc.	

Electronic

There are some additional electronic updates to help taxpayers understand the tax changes this year.

- Incometax.utah.gov has both the 2007 and 2008 information (rather than just replacing the 2007 with 2008 instructions).
- There is a link to the income tax scenario in this tutorial at incometax.utah.gov as well as tax.utah.gov/training.
- Tax.utah.gov/training has a new withholding workshop explaining the new TC-941 forms.
- Coming soon—Taxpayers filing electronic income tax returns for the 2009 filing year will be able to pay their tax using ACH debit requests (no fee).

Corporate

There were a few changes to the corporate forms.

Corporate

- The TC-20 and TC-20S have been reformatted for scanning
- Some lines were relocated
 - Utah Use tax now before calculating tax due or refund
 - Overpayment credited to next year's tax (previously before penalties, interest, and use tax)
- Electronic filing is now available
 - Have taxpayer check with the software vendor
 - Form TC-8453C is no longer required

20801 **Utah Corporation Franchise or Income Tax Return** 2008 TC-20

For the 2008 calendar year, or fiscal year, mm/dd/yyyy to mm/dd/yyyy

9999 IF AMENDED RETURN - ENTER CODE (1-4) from page 6 Mark "X" if you filed federal Form 9866

Mark "X" if this is a new address:

Physical address: City, State, ZIP Code

Mailing address: City, State, ZIP Code

Foreign country (if not U.S.): Telephone number

Employer Identification Number: _____

Utah Incorporation/Qualification Number: _____

1. Mark "X" if the corporation conducted UTAH business activity during the taxable year. 1

2. Mark "X" if the corporation joined in a federal consolidated return. 2

3. Mark "X" if this return constitutes a (mark no more than one) (see Combined Reports in the General Instructions):

3a "water's edge" combined report 3b "water's edge" election under UC §59-7-402(2) 3c "worldwide" combined report

4. Mark "X" if the corporation made an election for any member of the federal affiliated group during the taxable year:

4a IRC Section 338 4b IRC Section 338(h)(10) 4c IRC Section 336 (e)

5. Mark "X" if this return includes one or more financial institutions as defined by Tax Commission Rule R865-6F-32. 5

6. Ultimate U.S. parent's name and EIN: Name EIN

7. Total Tax - Enter amount from Schedule A, line 23. 7

8. Total Refundable Credits and Prepayments - Enter amount from Schedule A, line 27. 8

9. Tax Due - If line 7 is greater than line 8, subtract line 8 from line 7. 9

10. Penalties and interest (see instructions). 10

11. Pay this amount - Add lines 9 and 10. Make check to: Utah State Tax Commission. 11

12. Overpayment - If line 8 is greater than line 7, subtract line 7 from line 8. 12

13. Amount of overpayment on line 12 to be applied to next taxable year. 13

14. Refund - Subtract line 13 from line 12. 14

15. Mark "X" for each quarterly estimated prepayment meeting exceptions (attach documentation): 1st 2nd 3rd 4th

Under penalties of perjury, I declare to the best of my knowledge and belief, this return and accompanying schedules are true, correct and complete.

Signature of officer: Title Date

Preparer's signature: Date

Preparer's phone no: Preparer's EIN

Preparer's complete address (street, city, state, ZIP):

20801 **Utah S Corporation Franchise or Income Tax Return** 2008 TC-20S

For the 2008 calendar year, or fiscal year, mm/dd/yyyy to mm/dd/yyyy

9999 IF AMENDED RETURN - ENTER CODE (1-4) from page 6 Mark "X" if you filed federal Form 9866

Mark "X" if this is a new address:

Physical address: City, State, ZIP Code

Mailing address: City, State, ZIP Code

Foreign country (if not U.S.): Telephone number

Employer Identification Number: _____

Utah Incorporation/Qualification Number: _____

1. Mark "X" if the corporation conducted UTAH business activity during the taxable year. 1

2. Mark "X" if the corporation joined in a federal consolidated return. 2

3. Mark "X" if this return constitutes a (mark no more than one) (see Combined Reports in the General Instructions):

3a "water's edge" combined report 3b "water's edge" election under UC §59-7-402(2) 3c "worldwide" combined report

4. Mark "X" if the corporation made an election for any member of the federal affiliated group during the taxable year:

4a IRC Section 338 4b IRC Section 338(h)(10) 4c IRC Section 336 (e)

5. Mark "X" if this return includes one or more financial institutions as defined by Tax Commission Rule R865-6F-32. 5

6. Ultimate U.S. parent's name and EIN: Name EIN

7. Total Tax - Enter amount from Schedule A, line 23. 7

8. Total Refundable Credits and Prepayments - Enter amount from Schedule A, line 27. 8

9. Tax Due - If line 7 is greater than line 8, subtract line 8 from line 7. 9

10. Penalties and interest (see instructions). 10

11. Pay this amount - Add lines 9 and 10. Make check to: Utah State Tax Commission. 11

12. Overpayment - If line 8 is greater than line 7, subtract line 7 from line 8. 12

13. Amount of overpayment on line 12 to be applied to next taxable year. 13

14. Refund - Subtract line 13 from line 12. 14

15. Mark "X" for each quarterly estimated prepayment meeting exceptions (attach documentation): 1st 2nd 3rd 4th

Under penalties of perjury, I declare to the best of my knowledge and belief, this return and accompanying schedules are true, correct and complete.

Signature of officer: Title Date

Preparer's signature: Date

Preparer's phone no: Preparer's EIN

Preparer's complete address (street, city, state, ZIP):

Corporate

TC-20L

- This new form is needed to claim Utah Net Losses carryback refunds.
- It handles three carryback years.
- The taxpayer must use TC-20L to claim a refund instead of amending a TC-20.
- We will no longer calculate this for the taxpayer.

20898		Utah Application for Refund from a Corporation Loss Carryback		TC-20L Rev. 12/08
9999				
Mark "X" if this is a new address:		Corporation name		Employer Identification Number:
• Physical address		Address		
• Mailing address		City	State ZIP Code	Utah Incorporation/Qualification Number:
		Foreign country (if not U.S.) Telephone number		

Loss Carryback	1. Enter the taxable year end of the loss year (enter as mm/dd/yyyy)	1	/	/	
	2. Loss from TC-20, Schedule A, or Utah REIT return (enter as positive value)	2			00
	3. Amount of loss on line 2 exceeding \$1,000,000 (if loss on line 2 is \$1,000,000 or less, enter "0")	3			00
	4. Loss available for carryback (subtract line 3 from line 2)	4			00

3rd Prior Taxable Year	5. Enter the 3rd prior taxable year end (enter as mm/dd/yyyy)	5	/	/	
	6. Utah taxable income from 3rd prior taxable year (enter only if gain)	6			00
	7. Loss carryback amount (enter the lesser of line 4 or line 6)	7			00
	8. Adjusted taxable income (subtract line 7 from line 6 - not less than zero)	8			00
	9. Tax (multiply line 8 by .05, or minimum tax, whichever is greater)	9			00
	10. Tax previously paid for 3rd prior taxable year	10			00
	11. Refund for 3rd prior taxable year (subtract line 9 from line 10)	11			00
	12. Loss remaining (subtract line 7 from line 4) (if line 12 is zero skip lines 13 through 28 and go to line 29)	12			00

2nd Prior Taxable Year	13. Enter the 2nd prior taxable year end (enter as mm/dd/yyyy)	13	/	/	
	14. Utah taxable income from 2nd prior taxable year (enter only if gain)	14			00
	15. Loss carryback amount (enter the lesser of line 12 or line 14)	15			00
	16. Adjusted taxable income (subtract line 15 from line 14 - not less than zero)	16			00
	17. Tax (multiply line 16 by .05, or minimum tax, whichever is greater)	17			00
	18. Tax previously paid for 2nd prior taxable year	18			00
	19. Refund for 2nd prior taxable year (subtract line 17 from line 18)	19			00
	20. Loss remaining (subtract line 15 from line 12) (if line 20 is zero skip lines 21 through 28 and go to line 29)	20			00

Continue on page 2

Corporate

TC-20MC

This new form replaces:


—TC-20HA

—TC-20R

—TC-20REIT

—TC-20UBI

—TC-20-338

20841		Utah Tax Return for Miscellaneous Corporations	2008 TC-20MC
For the 2008 calendar year, or fiscal year, _____ to _____ mm/dd/yyyy mm/dd/yyyy			
9999	• IF AMENDED RETURN - ENTER CODE (1-4) from page 4 • Mark "X" if you filed federal Form 990		
Mark "X" if this is a new address: • Physical address • Mailing address	Corporation name		Employer Identification Number: Utah Incorporation/Qualification Number:
	Address		
	City	State ZIP Code	
	Foreign country (if not U.S.) Telephone number		
1. Corporation return type – Mark "X" for corporation return type (see instructions): • Regulated Investment Company (complete Schedule A, Part 1) • Homeowners Association (complete Schedule A, Part 3) • One-day Target Corporation with IRC Section 338 Election (complete Schedule A, Part 5) • Real Estate Investment Trust (complete Schedule A, Part 2) • Unincorporated Exempt Organization or Exempt Corporation Having Unrelated Business Income (complete Schedule A, Part 4)			
2. Tax – Enter the amount calculated on Schedule A (see instructions).....		• 2	_____ .00
3. Utah use tax – If \$400 or less (see instructions).....		• 3	_____ .00
4. Total tax – Add lines 2 and 3.....		• 4	_____ .00
5. Refundable credits – Enter total from Schedule B (must attach Schedule B).....		• 5	_____ .00
6. Prepayments from Schedule E, line 4.....		• 6	_____ .00
7. Amended returns only (see instructions).....		• 7	_____ .00
8. Total refundable credits and prepayments – add lines 5 through 7.....		• 8	_____ .00
9. Tax Due – If line 4 is greater than line 8, subtract line 8 from line 4.....		• 9	_____ .00
10. Penalties and interest (see instructions).....		10	_____ .00
11. Pay this amount – Add lines 9 and 10. Make check to: Utah State Tax Commission.....		• 11	_____ .00
12. Overpayment – If line 8 is greater than line 4, subtract line 4 from line 8.....		• 12	_____ .00
13. Amount of overpayment on line 12 to be applied to next taxable year.....		• 13	_____ .00
14. Refund – Subtract line 13 from line 12.....		• 14	_____ .00
15. Mark "X" for each quarterly estimated prepayment meeting exceptions (attach documentation): • 1st • 2nd • 3rd • 4th		USTC USE ONLY • _____	
Under penalties of perjury, I declare to the best of my knowledge and belief, this return and accompanying schedules are true, correct and complete.			
Paid Preparer's Section	Signature of officer	Title	Date
	Preparer's signature	Date	Preparer's SSN or PTIN
	Name of preparer's firm (or yourself, if self-employed)	Preparer's phone no.	Preparer's EIN
	Preparer's complete address (street, city, state, ZIP)		

Please also be aware of these other corporate changes:

- The standard deduction is no longer applicable (15% of taxable income) on S corporations
- Corporations may now claim research credits in year of qualified expenses (like individual income tax)
- S-corp rate is now 5% for nonresident shareholder payment (same as individual)
 - Also applies to Partnership and Fiduciary

Fiduciary

Fiduciary

These are the changes to Fiduciary forms:

- Can apply refund to next year's tax
- New Estate/Trust tax credit (similar to individual taxpayer credit)
- Nonrefundable credits include:
 - UESP
 - Capital gains

41081

Utah Fiduciary Income Tax Return **2008**
Get forms online - tax.utah.gov **TC-41**

If fiscal year, enter ending date (mmyy) _____ Mark "X" if you filed federal form 9886 ☐

9998 **FOR AMENDED RETURN - ENTER CODE (1 - 5) from page 2 of instructions**

Mark "X" if this is a new address: <input type="checkbox"/>	Full name of the estate or trust			FEIN or SSN of estate or trust	
	Name of fiduciary			<input type="checkbox"/> Mark "X" if this is a SSN	
Mark "X" if this is a final return: <input type="checkbox"/>	Fiduciary's address				
	City	State	Zip code	Foreign country, if not U. S.	

1. Enter code for type of return

<input type="checkbox"/> A= Bankruptcy estate Ch 7	<input type="checkbox"/> E= Decedent's estate	<input type="checkbox"/> S= Simple trust
<input type="checkbox"/> B= Bankruptcy estate Ch 11	<input type="checkbox"/> F= Qualified funeral trust (QFT)	<input type="checkbox"/> T= ESBT
<input type="checkbox"/> C= Complex trust	<input type="checkbox"/> G= Grantor type trust	
<input type="checkbox"/> D= Qualified disability trust	<input type="checkbox"/> H= Charitable trust	

2. Enter status code

<input type="checkbox"/> R= Resident	<input type="checkbox"/> N= Nonresident
--------------------------------------	---

3. Mark "X" if this estate or trust has any nonresident beneficiaries ☐

4. Federal total income from federal form 1041 line 9 or 1041-QFT line 5 ● 4

5. Additions to income from form TC-41A, Part 1 (page 4) ● 5

6. Total adjusted income (add lines 4 and 5) 6

7. Fiduciary fees for administering trust and deducted on federal return (1041, line 12) ● 7

8. Income distribution deduction (1041, line 18) (do not include cemetery perpetual care fund fees under IRC 642) ● 8

9. Estate tax deduction including certain generation-skipping taxes (1041, line 19) ● 9

10. Exemption (1041, line 20) ● 10

11. Deductions from income from form TC-41A, Part 2 (page 5) ● 11

12. Total deductions (add lines 7 through 11) 12

13. Utah taxable income (subtract line 12 from line 6 - if less than zero, enter "0") ● 13

14. Utah tax (multiply line 13 by .05 (5%)) ● 14

15. Allowable deductions for estate or trust credit (from worksheet on page 6 of inst.) ● 15

16. Initial estate or trust credit before phase-out (multiply line 15 by .06 (6%)) ● 16

17. Phase-out base amount 17 **12,000**

18. Income subject to phase-out (subtract line 17 from line 13 - if less than zero, enter "0") 18

19. Phase-out amount (multiply line 18 by .013) ● 19

20. Estate or trust tax credit (subtract line 19 from line 16 - if less than zero, enter "0") ● 20

21. Utah income tax (subtract line 20 from line 14 - if less than zero, enter "0") ● 21

22. Apportionable nonrefundable credits from TC-41A, Part 3 (page 7) ● 22

23. Subtract line 22 from line 21 (if less than zero, enter "0") 23

Non or part-year resident estate or trusts, complete TC-41B before continuing on page 2

Fiduciary

New TC-41B

This year the TC-41B is the non and part-year resident form

—Bankruptcy form is now TC-41C

41085		Non or Part-year Resident Estate or Trust Income Schedule		TC-41B
Name of estate or trust		EIN		Rev. 12/08
Column A - UTAH INCOME AND ADJUSTMENTS		Column B - FEDERAL INCOME AND ADJUSTMENTS		
INCOME: Enter all income (loss) from Utah sources while not a Utah resident, plus all income (loss) while a Utah resident, as specified below. Enter each deduction (or portion thereof) attributable to Utah income.		Enter the total amount of income (loss) from all sources, and the total deductions specified, as reported on your federal fiduciary return, as noted below.		
INCOME		COLUMN A - UTAH	COLUMN B - FEDERAL	
1. Interest income (1041, line 1)		00	00	
2. Total ordinary dividends (1041, line 2a)		00	00	
3. Business income or (loss) (1041, line 3)		00	00	
4. Capital gain or (loss) (1041, line 4)		00	00	
5. Rents, royalties, partnerships, other estates and trusts, etc. (1041 line 5)		00	00	
6. Farm income or (loss) (1041, line 6)		00	00	
7. Ordinary gain or (loss) (1041, line 7)		00	00	
8. Other income (1041, line 8)		00	00	
9. Total income (add lines 1 through 8)	●	00	00	
DEDUCTIONS		COLUMN A - UTAH	COLUMN B - FEDERAL	
10. Fiduciary fees for administering trust and deducted on federal return (1041, line 12)		00	00	
11. Income distribution deduction (1041, line 18) (do not include cemetery perpetual care fund fees under IRC 642)		00	00	
12. Estate tax deduction including certain generation-skipping taxes (1041, line 19)		00	00	
13. Exemption (1041, line 20)		00	00	
14. Total deductions (add lines 10 through 13)	●	00	00	
15. Subtract line 14 from line 9 for both column A and column B (if less than zero, enter "0")	●	00	00	
16. Divide line 15 column A by line 15 column B (to 4 decimal places)				
17. Enter tax amount from form TC-41, line 23			00	
18. Multiply the tax on line 17 by the decimal on line 16 and enter the results on TC-41, page 2, line 24	●		00	
Attach completed schedule to your 2008 Utah fiduciary return				

Interest and Penalties

Interest & Penalties

In case you were not aware, the interest rate is 5 percent for 2009

- Decreased from 7 percent the last two years

Also, penalties change to the graduated structure in 2009 for:

- Corporate
- Partnership
- Withholding
- Mineral Production

Graduated Penalty Structure

The graduated penalty structure is:

Days Late	Greater of:
1 through 5	\$20 or 2%
6 through 15	\$20 or 5%
16 or more	\$20 or 10%

See *Publication 58—Interest and Penalties* for more information.

Legislation

These are the bills that were passed to give us the changes discussed in this tutorial.

- HB 52 Research Activities Tax Credits
- HB 359 Tax Changes
- SB 11 Utah Venture Capital Enhancement Act
- SB 136 Apportionment of Business Income
- SB 137 Mineral Production Tax Withholding
- SB 185 Economic Incentive Revisions

Questions?

Thank you for taking the time to go through this tutorial.

Please let me know if you have any questions or suggestions:

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